



# MEMORANDUM



To: Members of the Senate Committee on Economic Development

From: Michigan Association of School Boards  
Michigan Education Association  
Middle Cities Education Association  
Michigan Association of School Administrators  
Michigan Association of Intermediate School Administrators  
AFT Michigan  
Michigan Elementary and Middle School Principals Association  
Michigan Association of Secondary School Principals



RE: House Bill 5017 and its effect on local school districts

Date: December 3, 2013

We write today in opposition to House Bill 5017 due to its negative impact on our local school districts and the School Aid Fund (SAF).



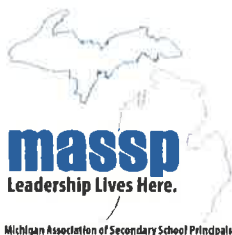
House Bill 5017 would provide a three-year property tax exemption for land and construction on development properties. This expands a law that was passed last session, Public Act 494, and is retroactive to November of 2012. The effect on the SAF is indeterminate; however it would reduce local property tax revenue for our public school districts.



Our concerns lie in the bigger picture. While this particular bill may seem to be only a small decrease to our local schools, when added to the many other policies recently passed and being considered, they continue to erode the school aid fund and add up to a significant amount of money over time.



We urge you to look very closely at this bill and similar ones and the collateral damage they cause over time. Our schools will continue to see cuts if the school aid fund does not receive the revenue necessary to support our students and communities.



We urge you to oppose this bill until our local schools are held harmless by the cuts proposed. If you have any questions, please feel free to contact any of us in the education community listed.